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January 20, 2011

Special Master Ronald J. Hedges
484 Washington Avenue
Hackensack, NJ 07601
r_hedges@live.com

Re: Krys, et al. v. Sugrue, et al.
08 Civ. 3086; 08 Civ. 3065 (JSR)

Dear Special Master Hedges:

At the end of the December 21, 2010 Hearing to consider Gibson Dunn's Motion to Compel Production, you directed the parties to negotiate search terms and enter into a Protective Order pursuant to Rule 26(c)(1) of the Federal Rules of Civil Procedure and Rule 502(d) of the Federal Rules of Evidence in an effort to resolve the discovery dispute between our respective clients. You also directed that the parties provide you with a Status Report by January 21, 2011. The instant correspondence constitutes a Status Report filed on behalf of my clients, Patrina Farquharson and Andrew Feighery.

We did not receive Gibson Dunn's proposed search terms until January 3, 2011. That Firm's proposal includes such terms as "SPhinX" and "plusfunds," by way of example, and clearly was not designed to narrow the differences between the parties regarding the documents that would be reviewed. On January 10, 2011, we provided Gibson Dunn with a revised proposal. Our proposal for the most part did not delete search terms, other than the obvious terms such as the two identified above, but instead narrowed the terms by identifying this Firm's clients who were not involved with SPHinX matters, and proposing that review would not include those clients' communications. Gibson Dunn has not yet responded to our proposal.

In addition, we agreed to the proposed Protective Order on December 22, 2010, following receipt of the document on that same day and having made some minor revisions. We understand that Gibson Dunn forwarded the proposed Protective Order to you yesterday, January 19, 2011.

In terms of future scheduling, I will be on the west coast for much of the next few weeks, from mid-week this coming week until approximately February 7, 2011.

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Thank you for your attention to these matters.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Peter R. Ginsberg", with a stylized flourish at the end.

Peter R. Ginsberg

cc: Mitchell A. Karlan
WHRefcoMDLAll@wilmerhale.com